



## **Kosmos Energy Announces Substantial Oil Encountered in Ntomme-2A Appraisal Well Offshore Ghana**

January 18, 2012

### ***Kosmos Also Provides Operational Update***

DALLAS--(BUSINESS WIRE)--Jan. 18, 2012-- Kosmos Energy (NYSE: KOS) announced today that the Ntomme-2A appraisal well, located in the Deepwater Tano Block offshore Ghana, has successfully encountered significant quantities of light oil. The well, located over 4 kilometers (2.7 miles) south of the Tweneboa-3 sidetrack which discovered the Ntomme field, was designed to test the potential for an oil leg beneath the previously-identified gas-condensate at Ntomme.

Results of drilling, wireline logs and fluid samples indicate that the well encountered 45 meters (148 feet) of high-quality stacked reservoir sandstones, including 39 meters (128 feet) of 35 degrees API gravity net oil pay. Pressure data from the well and the original discovery well suggests the potential for an oil column at Ntomme of approximately 125 meters (410 feet) below the gas-condensate accumulation.

Paul Dailly, Senior VP of Exploration, stated, "The presence of a significant oil leg at Ntomme is a great result for Kosmos Energy. Ntomme was originally identified as a gas-condensate discovery; however, this well confirms the majority of resources to be oil. The result enhances both the momentum and value of our near-term development of the TEN project, which includes Tweneboa, Enyenra, and Ntomme. It is an excellent start to our active drilling program in 2012."

The Ntomme-2A well was drilled to an interim depth of 3,905 meters (12,812 feet) in water of 1,730 meters (5,675 feet). The well is currently being deepened to a total depth of 4,010 meters (13,156 feet). Following the completion of drilling operations, a drill stem test of the well is planned.

### **Operational Update**

#### ***Jubilee***

At the Company's producing Jubilee field, offshore Ghana, sidetrack operations at the J-7 well have been completed. The J-7 sidetrack was drilled to test a new well completion design, as a result of near wellbore productivity issues experienced in the original wellbore. The sidetrack was flow tested at a rate of up to 15,000 barrels of oil per day. Production from the well started in early January 2012, with the flow rate being gradually increased to monitor the performance of the completion design. The field operator expects to perform sidetracks on an additional three Phase 1 wells in 2012. The cost of these Phase 1 sidetrack recompletions, including the J-7 sidetrack, is estimated by the operator at approximately \$400 million gross. The Jubilee partners are also analyzing other remediation possibilities such as workovers and/or stimulation efforts. This necessary remediation was recently identified as a technical issue related to well completion equipment which we believe is not expected to have any impact on ultimate field recoveries.

The Phase 1A development at Jubilee has been approved by the government of Ghana. Phase 1A will include eight new wells, including five production wells and three water injection wells, as well as an expanded subsea infrastructure. The Phase 1A project is estimated to cost approximately \$1.1 billion gross.

The operator at Jubilee estimates average field production for 2012 of between 70,000 and 90,000 barrels of oil per day gross, dependent on well performance, the timing of remediation activities, and the implementation of Phase 1A.

#### ***WCTP and DT Blocks Offshore Ghana***

On the West Cape Three Points Block, Kosmos anticipates significant near-term appraisal activities at the Teak discovery. The Teak-4A appraisal well is planned to commence late in the first quarter 2012. In addition, the Company plans to perform a drill stem test and further appraisal drilling at Teak immediately following the Teak-4A well.

On the Deepwater Tano Block, the Enyenra-1 well, which was a redrill of the Owo-1 discovery well, was recently completed. A flow test at Enyenra-1 is underway to test field wide reservoir connectivity, with pressure gauges deployed in the Enyenra-2A and Enyenra-3A wells. Enyenra-3A (to the north) and Enyenra-2A (to the south) are approximately 14 kilometers (8.7 miles) apart. Following the flow test, the Enyenra-4A well, which will be located an additional 6.8 kilometers (4.2 miles) south of Enyenra-2A, will begin drilling. A declaration of commerciality and plan of development for the TEN project is expected to be submitted to the government of Ghana in the third quarter of 2012.

Kosmos Energy holds an 18 percent interest in the Deepwater Tano Block and a 30.875 percent operated interest in the West Cape Three Points Block offshore Ghana. The Company's working interest in the Jubilee Unit is 24.1 percent.

#### ***New Ventures***

Offshore Morocco, the Company's planned 5,000 square kilometer 3D seismic data acquisition in the Agadir basin is progressing as planned. Approximately half of the data to be acquired covers the Essaouira Block with the remainder in the Foug Assaka Block. Of the Essaouira Block planned 3D, nearly 80 percent has been performed to date. The Foug Assaka planned 3D will immediately follow completion of the Essaouira 3D. The Company anticipates full completion of its 3D program in April 2012, followed by approximately six months for processing and interpretation.

Kosmos announced that it has negotiated a Production Sharing Contract for exploration on the Fako Block onshore Cameroon. The Fako Block, which borders the southeast portion of the Company's Ndiar River Block, covers approximately 1,290 square kilometers gross (320 thousand acres).

Kosmos operates the Fako Block area with a 100 percent working interest and a commitment to gravity and magnetics work in the initial exploration phase.

### **About Kosmos Energy**

Kosmos Energy Ltd. is a leading independent oil and gas exploration and production company focused on frontier and emerging areas in West Africa and South America. The Company's asset portfolio includes existing production, major discoveries and exploration prospects offshore Ghana, as well as exploration licenses with significant hydrocarbon potential offshore Morocco and Suriname and onshore Cameroon. Kosmos is listed on the New York Stock Exchange and is traded under the ticker symbol KOS. For additional information, visit <http://www.kosmosenergy.com>.

### **Forward-Looking Statements**

*This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future are forward-looking statements. The Company's estimates and forward-looking statements are mainly based on its current expectations and estimates of future events and trends, which affect or may affect its businesses and operations. Although the Company believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to the Company. When used in this press release, the words "anticipate," "believe," "intend," "expect," "plan," "will" or other similar words are intended to identify forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Further information on such assumptions, risks and uncertainties is available in the Company's Securities and Exchange Commission ("SEC") filings. The Company's SEC filings are available on the Company's website at [www.kosmosenergy.com](http://www.kosmosenergy.com). Kosmos undertakes no obligation and does not intend to update or correct these forward-looking statements to reflect events or circumstances occurring after the date of this press release, except as required by applicable law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.*

Source: Kosmos Energy

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